

# Independent Review Committee Report



To Security Holders

for the period from October 1<sup>st</sup>, 2024 to September 30, 2025

## MESSAGE TO SECURITY HOLDERS OF DESJARDINS FUNDS

The members of the Desjardins Funds' Independent Review Committee (the "IRC") submit their Annual Report to Security Holders of Desjardins Funds (the "Funds").

Under National Instrument 81-107, respecting Independent Review Committee for Investment Funds ("NI 81-107"), which came into force in 2007, all investment funds created in Canada that are reporting issuers are required to set up an independent committee to advise the fund manager with respect to conflicts of interest that may arise in its fund management.

The IRC's mandate is to review conflict of interest matters referred to it by Desjardins Investment Inc., the Funds' Manager, and to recommend actions to achieve a fair and reasonable result for the Funds.

The IRC must annually review the policies and procedures adopted by the Funds' Manager to resolve any potential conflict of interest matters. The IRC must ensure that these policies and procedures are adequate. At least once a year, the IRC must also review and assess the independence, effectiveness and compensation of its members.

The IRC works in the interest of the Funds and, consequently, of the Security Holders. Furthermore, the IRC collaborates effectively with the Funds' Manager.

Security Holders of a Fund may obtain a copy of this report free of charge by contacting Desjardins Funds Customer Service at 514 286-3499, 1 866 666-1280 or by visiting [desjardinsfunds.com](http://desjardinsfunds.com) or [sedarplus.ca](http://sedarplus.ca)

A handwritten signature in black ink, appearing to read "J.P. Duguay".

Jean-Pierre Duguay  
Chair, Desjardins Funds' Independent Review Committee

# INDEPEDENT REVIEW COMMITTEE REPORT TO SECURITY HOLDERS

## **Desjardins Funds' Independent Review Committee Report to Security Holders**

*(Section 4.4 of NI 81-107)*

For the period from October 1<sup>st</sup>, 2024 to September 30, 2025

---

### **Introduction**

This report was prepared by the Independent Review Committee (the "IRC") for the Security Holders of each of the Desjardins Funds (the "Funds") listed at the end of this document.

Desjardins Investments Inc. is the Desjardins Funds' Manager and Sponsor.

This report was prepared in accordance with the provisions of National Instrument 81-107 respecting Independent Review Committee for Investment Funds ("NI 81-107").

### **IRC Members**

Jean-Pierre Duguay, Chair, *Independent Review Committee*

Claude Caty

Diane Fleurent

Marco Bouchard

Mr. Jean-Pierre Duguay was appointed by the members of the IRC, in agreement with the Funds' Manager, on January 1<sup>st</sup>, 2015, for an initial term of three years. During the IRC's meeting on December 12, 2017, the members renewed his term for a period of three years, ending on December 31, 2020. During the IRC's meetings held on December 17, 2020, December 15, 2021, December 15, 2022, December 14, 2023 and December 12, 2024, the Manager informed members of its intention to extend Mr. Duguay's term for a period of one year. His current renewal extended Mr. Duguay's term until December 31, 2025. Mr. Duguay is acting as Chair of the IRC since January 1<sup>st</sup>, 2020.

Mr. Claude Caty was appointed by the members of the IRC, in agreement with the Funds' Manager, on December 17, 2019, for an initial term of three years starting on January 1<sup>st</sup>, 2020. His initial term having ended on December 31, 2022, the members extended Mr. Caty's term for a three-year period ending December 31, 2025.

Ms. Diane Fleurent was appointed by the members of the IRC, in agreement with the Funds' Manager, on January 1<sup>st</sup>, 2024, for an initial term of three years ending December 31, 2026, to replace Mr. Pelland.

Mr. Marco Bouchard was appointed by the members of the IRC, in agreement with the Funds' Manager, on June 13, 2024, for an initial term that will end on December 31, 2025 and not December 31, 2026, as erroneously stated in the previous report. The manager informed the members of his intention to renew Mr. Bouchard's mandate for a one-year period. This latest renewal extends Mr. Bouchard's mandate until December 31, 2025.

None of the IRC members serve as members of an independent review committee for investment funds managed by another manager than Desjardins Investment Inc. The members also sit on the Desjardins Exchange Traded Funds Independent Review Committee. IRC declarations show that none of its members have any relationship that would cause a reasonable person to question their independence.

## INDEPEDENT REVIEW COMMITTEE REPORT TO SECURITY HOLDERS

### FOR THE PERIOD FROM OCTOBER 1<sup>st</sup>, 2024 TO SEPTEMBER 30, 2025

#### Ownership of Securities

As of September 30, 2025, members of the IRC did not own, in aggregate, directly or indirectly, more than 10% of the outstanding securities of any of the Funds. None of the members of the IRC owns, directly or indirectly, securities of the Manager or an entity that supplies services to the Funds or the Manager or to affiliates of the Manager.

#### Compensation and Indemnities

The IRC members are entitled to compensation by the Funds. They may also be indemnified by the Funds when circumstances so justify, and if allowed by NI 81-107.

The IRC members meet with representatives of the Manager regularly, at least quarterly. At the end of each meeting, the IRC members meet privately, without the Manager's representatives, to freely discuss matters that involve them, as well as their concerns in this respect. The Chair then meets with one of the Manager's representatives to share the decisions made during said private meeting, as needed.

During its last year of operations, that is, from October 1<sup>st</sup>, 2024, to September 30, 2025, the IRC held four regular meetings and two special meetings. The aggregate compensation paid by the Desjardins Funds to the IRC members for the period ended September 30, 2025, amounts to \$146 480. This amount was allocated proportionally among the Funds.

The initial compensation of the IRC members was set by the Manager, as stipulated in NI 81-107. Pursuant to its charter, the IRC reviews and assesses its compensation annually based on its last assessment, the Desjardins Group Director's Compensation Policy, the number of Funds the IRC evaluates, as well as comparable industry practices.

Each member of the IRC is compensated through an annual retainer fee in addition to being reimbursed for expenses related to their duties within the IRC. These expenses are allocated proportionally among the Funds. The Chair of the IRC receives an annual fee of \$35,000, and the other members each receive an annual fee of \$31,000.

During the fiscal year ended September 30, 2025, the Funds paid IRC members total compensation of \$146,480, including \$13,680 in attendance allowances. No expenses were reimbursed.

The following table shows the compensation of individual members:

NAME	TOTAL COMPENSATION
Jean-Pierre Duguay, president	39 620\$
Claude Caty	35 620\$
Diane Fleurent	35 620\$
Marco Bouchard	35 620\$

#### Charter

The IRC has drawn up its charter in collaboration with the Manager. Adopted on October 3, 2007, the charter came into force on the same date and complies with NI 81-107, on which it is largely based. On March 19, 2025, an amendment was made to clarify the maximum cumulative term of office for a member of the IRC to clarify the maximum term of office. The Charter stipulated a six (6) year term, followed by annual renewals subject to the Manager's approval. The cumulative term is now 12 years of participation for an IRC member. On June 5, 2025, a second amendment was approved by the IRC to add the Policy on the Remuneration of Directors of Desjardins Financial Security Life Insurance Company as a criterion for evaluating the compensation of IRC members.

#### Conflict of Interest Matters

During the year ended September 30, 2024, the IRC was not aware of any conflict of interest matters in respect of which the Manager has not followed the IRC's recommendations or not complied with any conditions imposed by the IRC in its recommendations or its approval, as the case may be.

With the exception of the breach described below, during the fiscal year, the Manager complied with its policies and procedures for managing potential conflicts of interest. It also complied with the standing instructions approved by the IRC. During the fiscal year, the Manager informed the IRC of an omission of approval that should have been submitted to them in advance regarding inter-fund trades. Following the Manager's explanations, the standing instruction was revised, and approved by the IRC, to also include transactions between a Fund and a client of Desjardins Global Asset Management, the portfolio manager of the Desjardins Funds.

During the year, the Manager filed seven (7) cases for IRC approbation and one (1) case for recommendation and the IRC has given its approval or issued a favorable opinion for all the files submitted. The Manager filed a new procedure and a new standing instruction on *Investments in securities of the DGAM Global Infrastructure Private L.P. Fund*. The IRC received from the Manager the required disclosures in accordance with the standing instructions on *Transaction of securities of connected issuers, related issuers, and significant shareholders, on Investments in security classes of an issuer where a related party acts as underwriter, on Transaction of securities with a Desjardins Group member, on Transactions between funds, on Investment in debt securities not rated by a related issuer and on Investment in Desjardins Capital PME S.N.C.* As part of these disclosures, the Manager answered all questions asked by IRC members regarding the submitted transactions. The Manager also added to its disclosures all additional and relevant information requested by IRC members.

## INDEPEDENT REVIEW COMMITTEE REPORT TO SECURITY HOLDERS

Potential conflicts of interest matters, for which the IRC's recommendation or approval may be required, depending on the situation, are listed below. At the start of its mandate, the IRC familiarized itself with this list, as well as the policies and procedures the Manager has adopted with respect to the listed potential conflict of interest matters. Accordingly, the IRC has made recommendations, and the Manager has made according changes to this list, as well as its policies and procedures:

### **Approvals**

- Prohibited investments
- Self-dealing
- Inter-fund trades
- Restructuring an investment fund
- Changing the auditor of a mutual fund
- Purchasing and selling mortgage securities by the Desjardins Short-Term Income Fund from/to affiliates

### Recommendations

- Allocating operating expenses between the investment fund and the Manager
- Allocating operating expenses between investment funds of the same family
- Changing the basis for calculating fees and expenses
- Introducing new fees or expenses
- Calculation error relating to the net asset value (NAV) or a distribution
- Changing the investment fund's constituent document
- Market timing
- Changing an investment fund's main investment objective
- Winding up the mutual fund
- Inappropriate investments by the investment fund
- Buying securities of the Manager or an entity of the same group as the Manager or an entity holding more than 20% of any of said entities
- Investing in an entity holding more than 20% of a fund
- Investing in an entity in which a Desjardins senior manager or an officer is an officer
- Inter-fund trades
- Soft dollar arrangements, except for executing orders
- Loaning securities
- Negotiating services for the investment fund with non-arm's length parties with respect to the Manager or a member of the investment fund's organization or an entity belonging to the same group as the Manager or a member of the investment fund's organization
- Replacing the external portfolio manager or sub-manager with a manager or sub-manager whose compensation is lower, where the unitholders of the investment fund do not derive any benefit
- Significant trading in the investment fund by Security Holders holding a very large number of securities (institutional investors or others)
- Ensuring that certain types of investors are not favored with incentives

FOR THE PERIOD FROM OCTOBER 1<sup>st</sup>, 2024 TO SEPTEMBER 30, 2025

## DESJARDINS FUNDS

### INCOME FUNDS

Desjardins Money Market Fund (A-, I-, C-, F- and D-Class Units)  
 Desjardins Short-Term Income Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Sustainable Short-Term Income Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Canadian Bond Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Sustainable Canadian Bond Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Target 2025 Investment Grade Bond Fund (C-, F- and D-Class Units)  
 Desjardins Target 2026 Investment Grade Bond Fund (C-, F- and D-Class Units)  
 Desjardins Target 2027 Investment Grade Bond Fund (C-, F- and D-Class Units)  
 Desjardins Target 2028 Investment Grade Bond Fund (C-, F- and D-Class Units)  
 Desjardins Target 2029 Investment Grade Bond Fund (C-, F- and D-Class Units)  
 Desjardins Target 2030 Investment Grade Bond Fund (C-, F- and D-Class Units)  
 Desjardins Enhanced Bond Fund (A-, I-, C-, F- and D-Class Units)  
 Desjardins Canadian Corporate Bond Fund (I- and W-Class Units)  
 Desjardins Sustainable Canadian Corporate Bond Fund (I- and W-Class Units)  
 Desjardins Global Government Bond Index Fund (I-Class Units)  
 Desjardins Global Total Return Bond Fund (A-, I-, C-, F-, D- and PM-Class Units)  
 Desjardins Sustainable Environmental Bond Fund (A-, I-, C-, F-, D-, PM- and W-Class Units)  
 Desjardins Global Managed Bond Fund (I- and W-Class Units)  
 Desjardins Sustainable Global Managed Bond Fund (I- and W-Class Units)  
 Desjardins Global Corporate Bond Fund (A-, I-, C-, F- and D-Class Units)  
 Desjardins Sustainable Global Corporate Bond Fund (I-Class Units)  
 Desjardins Sustainable Global Bond Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Floating Rate Income Fund (A-, I-, C-, F- and D-Class Units)  
 Desjardins Global Tactical Bond Fund (A-, I-, C-, F-, D- and PM-Class Units)  
 Desjardins Canadian Preferred Share Fund (A-, I-, C-, F- and D-Class Units)  
 Desjardins Global High Yield Bond Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Emerging Markets Bond Fund (A-, I-, C-, F- and D-Class Units)  
 Desjardins Sustainable Emerging Markets Bond Fund (I-Class Units)

### BALANCED FUNDS

Desjardins Global Balanced Growth Fund (A-, I-, C-, F- and D-Class Units)  
 Desjardins Québec Balanced Fund (A-, T-, I-, C-, R-, F-, S- and D-Class Units)  
 Desjardins Global Balanced Strategic Income Fund (A-, T6-, I-, C-, R6-, F-, S6- and D-Class Units)  
 Desjardins Dividend Balanced Fund (formerly Desjardins Dividend Income Fund) (A-, T-, I-, C-, R-, F-, S- and D-Class Units)  
 Desjardins Tactical Asset Allocation Fund (I-Class Units)  
 Desjardins Sustainable Global Balanced Fund (A-, I-, C-, F- and D-Class Units)

### CANADIAN EQUITY FUNDS

Desjardins Dividend Growth Fund (A-, T-, I-, C-, R-, F-, S-, D- and W-Class Units)  
 Desjardins Canadian Equity Income Fund (A-, T-, I-, C-, R-, F-, S-, D- and W-Class Units)  
 Desjardins Sustainable Canadian Equity Income Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Low Volatility Canadian Equity Fund (I- and W-Class Units)  
 Desjardins Canadian Equity Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Canadian Equity Focused Fund (formerly Desjardins Canadian Equity Value Fund) (A-, T-, I-, C-, R-, F-, S- and D-Class Units)  
 Desjardins Sustainable Canadian Equity Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Canadian Small Cap Equity Fund (A-, I-, C-, F-, D- and W-Class Units)

### AMERICAN EQUITY FUNDS

Desjardins American Equity Value Fund (A-, I-, C-, F- and D-Class Units)  
 Desjardins American Equity Growth Fund (A-, I-, C-, F-, D- and PM-Class Units)  
 Desjardins American Equity Growth Currency Neutral Fund (A-, I-, C-, F- and D-Class Units)  
 Desjardins Sustainable American Equity Fund (A-, I-, C-, F-, D-, PM- and W-Class Units)  
 Desjardins Sustainable American Small Cap Equity Fund (A-, I-, C-, F-, D- and W-Class Units)

### GLOBAL AND INTERNATIONAL EQUITY FUNDS

Desjardins Low Volatility Global Equity Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Sustainable Low Volatility Global Equity Fund (I- and W-Class Units)  
 Desjardins Overseas Equity Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins International Equity Value Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Overseas Equity Growth Fund (A-, I-, C-, F-, D- and PM-Class Units)  
 Desjardins Sustainable International Equity Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Global Dividend Fund (A-, T-, I-, C-, R-, F-, S-, D- and W-Class Units)  
 Desjardins Sustainable Global Dividend Fund (A-, T-, I-, C-, R-, F-, S-, D- and W-Class Units)  
 Desjardins Global Equity Fund (A-, T-, I-, C-, R-, F-, S-, D- and W-Class Units)  
 Desjardins Global Opportunities Fund (A-, I-, C-, F-, D- and W-Class Units)  
 Desjardins Fundamental Global Equity Fund (I-Class Units)  
 Desjardins Global Equity Growth Fund (A-, I-, C-, F-, D-, PM- and W-Class Units)  
 Desjardins Sustainable Diversity Fund (A-, I-, C-, F-, D- and W-Class Units)

## INDEPEDENT REVIEW COMMITTEE REPORT TO SECURITY HOLDERS

Desjardins Sustainable Global Opportunities Fund (A-, I-, C-, F-, D- and W-Class Units)  
Desjardins Sustainable Positive Change Fund (A-, I-, C-, F-, D-, PM- and W-Class Units)  
Desjardins Global Small Cap Equity Fund (A-, I-, C-, F-, D- and W-Class Units)  
Desjardins Sustainable International Small Cap Equity Fund (A-, I-, C-, F-, D- and W-Class Units)  
Desjardins Sustainable Cleantech Fund (A-, I-, C-, F-, D- and W-Class Units)  
Desjardins Emerging Markets Fund (A-, I-, C-, F-, D- and W-Class Units)  
Desjardins Emerging Markets Opportunities Fund (A-, I-, C-, F-, D- and W-Class Units)  
Desjardins Sustainable Emerging Markets Equity Fund (A-, I-, C-, F-, D- and W-Class Units)

### ALTERNATIVE FUNDS

Desjardins Market Neutral ETF Fund (formerly Desjardins Alt Long/Short Equity Market Neutral ETF Fund) (A-, I-, C-, F- and W-Class Units)

### SPECIALTY FUNDS

Desjardins Global Infrastructure Fund (A-, T-, I-, C-, R-, F-, S-, D- PM- and W-Class Units)

### INVESTMENT SOLUTIONS

Desjardins Active Strategy Conservative Portfolio (formerly Chorus II Conservative Low Volatility Portfolio) (A-, T4-, T6-, I-, C-, R4-, R6-, F-, S4-, S6-, O-, P4-, P6- and D-Class Units)  
Desjardins Active Strategy Moderate Portfolio (formerly Chorus II Moderate Low Volatility Portfolio) (A-, T4-, T6-, I-, C-, R4-, R6-, F-, S4-, S6-, O-, P4-, P6- and D-Class Units)  
Desjardins Active Strategy Balanced Portfolio (formerly Melodia Diversified Growth Portfolio) (A-, T5-, T7-, I-, C-, F-, S5-, S7-, O-, P5-, P7-, D-, R5- and R7-Class Units)  
Desjardins Active Strategy Growth Portfolio (formerly Melodia Balanced Growth Portfolio) (A-, T5-, T7-, I-, C-, F-, S5-, S7-, O-, P5-, P7-, D-, R5- and R7-Class Units)  
Desjardins Active Strategy Aggressive Portfolio (formerly Melodia Maximum Growth Portfolio) (A-, T6-, T8-, I-, C-, F-, S6-, S8-, O-, P6-, P8-, D-, R6- and R8-Class Units)  
Desjardins Active Strategy Global Equity Portfolio (formerly Melodia 100% Equity Growth Portfolio) (A-, I-, C-, F-, O- and D-Class Units)  
Desjardins Sustainable Fixed Income Portfolio (I-Class Units)  
Desjardins Sustainable Conservative Portfolio (A-, T4-, I-, C-, R4-, F-, S4-, O-, P4-, Z4- and D-Class Units)  
Desjardins Sustainable Moderate Portfolio (A-, T4-, I-, C-, R4-, F-, S4-, O- and P4-Class Units)  
Desjardins Sustainable Balanced Portfolio (A-, T5-, I-, C-, R5-, F-, S5-, O-, P5-, Z5- and D-Class Units)  
Desjardins Sustainable Growth Portfolio (A-, T5-, I-, C-, R5-, F-, S5-, O-, P5- and D-Class Units)  
Desjardins Sustainable Aggressive Portfolio (formerly Desjardins Sustainable Maximum Growth Portfolio) (A-, T6-, I-, C-, R6-, F-, S6-, O-, P6- and D-Class Units)  
Desjardins Sustainable Global Equity Portfolio (formerly Desjardins Sustainable 100% Equity Portfolio) (A-, I-, C-, F- and O-Class Units)  
Desjardins Conservative ETF Portfolio (formerly Wise Conservative ETF Portfolio) (A-, I-, C- and F-Class Units)  
Desjardins Moderate ETF Portfolio (formerly Wise Moderate ETF Portfolio) (A-, I-, C- and F-Class Units)  
Desjardins Balanced ETF Portfolio (formerly Wise Balanced 50 ETF Portfolio) (A-, I-, C- and F-Class Units)  
Desjardins Growth ETF Portfolio (formerly Wise Growth ETF Portfolio) (A-, I-, C- and F-Class Units)  
Desjardins Aggressive ETF Portfolio (formerly Wise Aggressive ETF Portfolio) (A-, I-, C- and F-Class Units)  
Desjardins Global Equity ETF Portfolio (formerly Wise 100% Equity ETF Portfolio) (A-, I-, C- and F-Class Units)  
Melodia Very Conservative Income Portfolio (A-, T4-, I-, C-, R4-, F-, S4- and D-Class Units)  
Melodia Conservative Income Portfolio (A-, T4-, I-, C-, R4-, F-, S4- and D-Class Units)  
Titanium Canadian Fixed Income Private Pool (V- and Y-Class Units)  
Titanium Global Fixed Income Private Pool (V- and Y-Class Units)  
Titanium Canadian Equity Private Pool (V- and Y-Class Units)  
Titanium U.S. Equity Private Pool (V- and Y-Class Units)  
Titanium International Equity Private Pool (V- and Y-Class Units)  
Titanium Global Strategic Opportunities Private Pool (V- and Y-Class Units)